

Agency 343

Higher Education Coordinating Board**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority	78.7	325,131	17,355	342,486
Total Maintenance Level	85.9	330,183	29,960	360,143
Difference	7.3	5,052	12,605	17,657
Percent Change from Current Biennium	9.2%	1.6%	72.6%	5.2%
Performance Changes				
Washington Scholars		489		489
High-Demand Enrollments		3,370		3,370
Promise Scholarship		625		625
WAVE Program		(85)		(85)
State Work Study		2,761		2,761
General Inflation		(14)	(43)	(57)
State Need Grant		23,086		23,086
Subtotal		30,232	(43)	30,189
Total Proposed Budget	85.9	360,415	29,917	390,332
Difference	7.3	35,284	12,562	47,846
Percent Change from Current Biennium	9.2%	10.9%	72.4%	14.0%
Total Proposed Budget by Activity				
Coordination and Policy for Higher Education	28.3	3,714	4,244	7,958
Administrative Activity	2.8	835	75	910
High-Demand Enrollments	(.8)	3,370		3,370
Interstate Exchange Programs for Higher Education		607		607
Prepaid Tuition and Savings Plans	19.5		6,458	6,458
Student Financial Aid Programs	36.1	351,637	19,044	370,681
Compensation Cost Adjustment		252	96	348
Total Proposed Budget	85.9	360,415	29,917	390,332

PERFORMANCE LEVEL CHANGE DESCRIPTIONS**Washington Scholars**

Funding for the Washington Scholars program is increased to maintain grant awards at 100 percent of tuition.

High-Demand Enrollments

The competitive grant program awarding public baccalaureate institutions high-demand enrollment funding complements the general enrollments appropriated directly to the institutions. The funds will support high-demand enrollments at an average of \$11,000 per FTE student. The 200 new enrollments funded through this program will respond to the economic development needs of the state and its regions by increasing the number of high skilled students who earn degrees in key occupational fields such as biotechnology and health care.

HIGHER EDUCATION

Promise Scholarship

The maximum annual Promise Scholarship award amount is raised to \$1,200 per student. These scholarships are awarded to high-achieving, middle- and low-income students, and may be used at any public or private higher education institution in Washington.

WAVE Program

Funding for the Washington Award for Vocational Excellence (WAVE) is reduced, consistent with forecasted demand. Grants will still cover 100 percent of tuition and fees for eligible students. WAVE is the state's merit-based award for outstanding vocational student achievement. While the Workforce Training and Education Coordinating Board administers the program, the Higher Education Coordinating Board serves as the fiscal agent for the program.

State Work Study

Funding is provided to hold eligible students harmless from 5 percent tuition increases in each year of the 2005-07 Biennium.

State Need Grant

The State Need Grant program is provided additional funding to increase grant award amounts sufficient to offset tuition increases of up to 5 percent in each year of the biennium for the baccalaureate institutions and 3 percent each year for the community and technical colleges.

ACTIVITY DESCRIPTIONS

Coordination and Policy for Higher Education

The HECB develops and coordinates higher education policy along with the research and regional universities, community and technical colleges, and private institutions. This activity includes producing a statewide strategic master plan; reviewing capital and operating budget requests; approving degree programs; authorizing degree-granting institutions; developing minimum admissions standards; researching and producing reports according to statutory timetables; and a variety of other statutorily defined functions.

Administrative Activity

This activity provides executive leadership (executive director, deputy director, and executive assistant) and overhead costs for the Board.

High-Demand Enrollments

The Board manages a competitive process for awarding a total of 500 high-demand student FTE staff averaging \$11,000 each in programs where access is limited and employers are experiencing difficulty finding qualified graduates to fill job openings. The Board prioritizes proposals based on five fields defined in statute and/or compelling proposals that document specific regional student and employer demand in other fields.

Interstate Exchange Programs for Higher Education

Washington is a member of the Western Interstate Commission for Higher Education. Through this program, Washington residents can obtain out-of-state tuition support to pursue optometric or osteopathic medicine degrees in 15 member states. In addition, the Commission uses dues collected from its member states to fund studies of higher education programs and policy issues.

Prepaid Tuition and Savings Plans

The Guaranteed Education Tuition program allows families to purchase tuition units now and use them later. The program invests these funds, and the purchaser is guaranteed a return that will cover tuition at a future date at any eligible public or private accredited educational institution in the nation. (Advanced College Tuition Payment Program Account-Nonappropriated)

Student Financial Aid Programs

The Board administers a number of state financial aid programs, including direct grants and scholarships, reimbursement to qualifying organizations that employ eligible students, and scholarships or loan repayments tied to a service requirement in a qualified teaching or health profession position.

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.